

House Study Bill 210

SENATE/HOUSE FILE _____
BY (PROPOSED GOVERNOR'S
BILL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to assisting schools to recover from disaster by
2 changing the approval method for transfers of emergency fund
3 moneys, by modifying certain funding provisions to relate to
4 disaster recovery, by allowing area education agency boards
5 greater authority to purchase and lease=purchase property, and
6 by allowing certain school districts to use the previous
7 year's budget enrollments in the 2009=2010 budget year, and
8 providing an effective date.
9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
10 TLSB 1724XL 83
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1 1 Section 1. Section 24.6, Code 2009, is amended to read as
1 2 follows:
1 3 24.6 EMERGENCY FUND == LEVY.
1 4 1. A municipality may include in the estimate required, an
1 5 estimate for an emergency fund. A municipality may assess and
1 6 levy a tax for the emergency fund at a rate not to exceed
1 7 twenty-seven cents per thousand dollars of assessed value of
1 8 taxable property of the municipality, provided that. However,
1 9 an emergency tax levy shall not be made until the municipality
1 10 has first petitioned the state board and received its
1 11 approval.
1 12 2. a. Transfers of moneys may be made from the emergency
1 13 fund to any other fund of the municipality for the purpose of
1 14 meeting deficiencies in a fund arising from any cause,
1 15 provided that. However, a transfer shall not be made except
1 16 upon the written approval of the state board, and then only
1 17 when that approval is requested by a two-thirds vote of the
1 18 governing body of the municipality.
1 19 b. Notwithstanding the requirements of paragraph "a", if
1 20 the municipality is a school corporation, the school
1 21 corporation may transfer money from the emergency fund to any
1 22 other fund of the school corporation for the purpose of
1 23 meeting deficiencies in a fund arising from payment of costs
1 24 necessitated by, and incurred within two years of, a disaster
1 25 as defined in section 29C.2, subsection 1. However, a
1 26 transfer shall not be made without the written approval of the
1 27 school budget review committee.
1 28 Sec. 2. Section 256.9, Code 2009, is amended by adding the
1 29 following new subsection:
1 30 NEW SUBSECTION. 61. Grant to public school districts and
1 31 accredited nonpublic schools waivers from statutory
1 32 obligations with which the entities cannot reasonably comply
1 33 due to a disaster as defined in section 29C.2, subsection 1,
1 34 if the county in which the school district or accredited
1 35 nonpublic school is located has been declared a state or
2 1 federal disaster area. The school district or accredited
2 2 nonpublic school shall conduct a public hearing during which
2 3 school officials shall inform the public about the statutory
2 4 obligations for which waiver is sought, and the public shall
2 5 be provided an opportunity for input at the public hearing.
2 6 Sec. 3. Section 257.31, subsection 7, paragraph a, Code
2 7 2009, is amended to read as follows:
2 8 a. The committee may authorize a district to spend a
2 9 reasonable and specified amount from its unexpended cash
2 10 balance for ~~either of~~ the following purposes:
2 11 (1) Furnishing, equipping, and contributing to the
2 12 construction of a new building or structure for which the
2 13 voters of the district have approved a bond issue as provided

2 14 by law or the tax levy provided in section 298.2.

2 15 (2) The costs associated with the demolition of an unused
2 16 school building, or the conversion of an unused school
2 17 building for community use, in a school district involved in a
2 18 dissolution or reorganization under chapter 275, if the costs
2 19 are incurred within three years of the dissolution or
2 20 reorganization.

2 21 (3) The costs associated with the demolition or repair of
2 22 a building or structure in a school district if such costs are
2 23 necessitated by, and incurred within two years of, a disaster
2 24 as defined in section 29C.2, subsection 1.

2 25 Sec. 4. Section 257.32, subsection 1, unnumbered paragraph
2 26 2, Code 2009, is amended by adding the following new
2 27 paragraph:

2 28 NEW PARAGRAPH. f. Costs associated with the demolition or
2 29 repair of a building or structure within an area education
2 30 agency boundary if such costs are necessitated by, and
2 31 incurred within two years of, a disaster as defined in section
2 32 29C.2, subsection 1.

2 33 Sec. 5. Section 273.2, subsection 2, Code 2009, is amended
2 34 to read as follows:

2 35 2. An area education agency established under this chapter
3 1 is a body politic as a school corporation for the purpose of
3 2 exercising powers granted under this chapter, and may sue and
3 3 be sued. An area education agency may hold property and
3 4 execute purchase and lease-purchase agreements pursuant to
3 5 section 273.3, subsection 7, and if the ~~lease lease-purchase~~
3 6 ~~agreement~~ exceeds ten years or the purchase price of the
3 7 property to be acquired pursuant to a purchase or
3 8 lease-purchase agreement exceeds twenty-five thousand dollars,
3 9 the area education agency shall conduct a public hearing on
3 10 the proposed purchase or lease-purchase agreement and receive
3 11 approval from the area education agency board of directors and
3 12 the director of the department of education before entering
3 13 into the agreement.

3 14 Sec. 6. Section 273.3, subsection 7, Code 2009, is amended
3 15 to read as follows:

3 16 7. Be authorized to lease, purchase, or lease-purchase,
3 17 subject to the approval of the director of the department of
3 18 education and to receive by gift and operate and maintain
3 19 facilities and buildings necessary to provide authorized
3 20 programs and services. However, a lease for less than ten
3 21 years and with an annual cost of less than twenty-five
3 22 thousand dollars does not require the approval of the
3 23 director. ~~If a lease requires approval, the~~ The director
3 24 shall not approve ~~the a~~ a lease, purchase, or lease-purchase
3 25 until the director is satisfied by investigation that public
3 26 school corporations within the area do not have suitable
3 27 facilities available.

3 28 Sec. 7. Section 298.3, Code 2009, is amended by adding the
3 29 following new subsection:

3 30 NEW SUBSECTION. 13. Demolition, cleanup, and other costs
3 31 if such costs are necessitated by, and incurred within
3 32 eighteen months of, a disaster as defined in section 29C.2,
3 33 subsection 1.

3 34 Sec. 8. Section 423F.3, subsection 3, paragraph b, Code
3 35 2009, is amended to read as follows:

4 1 b. (1) If the board of directors intends to use funds for
4 2 purposes other than those listed in paragraph "a", or change
4 3 the use of funds to purposes other than those listed in
4 4 paragraph "a", the board shall adopt a revenue purpose
4 5 statement, subject to approval of the electors, listing the
4 6 proposed use of the funds.

4 7 (2) School districts shall submit the statement to the
4 8 voters no later than sixty days prior to the expiration of any
4 9 existing revenue purpose statement or change in use not
4 10 included in the existing revenue purpose statement.

4 11 (3) If a school district has been affected by a disaster,
4 12 as defined in section 29C.2, subsection 1, the district may
4 13 submit the statement, which shall only include
4 14 disaster-related expenses, to the voters no later than
4 15 eighteen months after the disaster occurred and subject to all
4 16 other requirements in this section.

4 17 Sec. 9. DISASTER RELIEF FOR SCHOOL DISTRICTS == BUDGET
4 18 ENROLLMENT. Notwithstanding any provision of the Code to the
4 19 contrary, for the school budget year beginning July 1, 2009, a
4 20 school district determined by the department of education to
4 21 have been significantly affected during 2008 by a disaster, as
4 22 defined in section 29C.2, subsection 1, with a basic
4 23 enrollment for the budget year, as defined under section
4 24 257.6, that is less than the previous year's budget enrollment

4 25 may use the previous year's budget enrollment.
4 26 Sec. 10. EFFECTIVE DATE. The section of this Act relating
4 27 to budget enrollment for the budget year beginning July 1,
4 28 2009, being deemed of immediate importance, takes effect upon
4 29 enactment.

4 30 EXPLANATION

4 31 This bill assists school districts and accredited nonpublic
4 32 schools to recover from a disaster as defined in Code section
4 33 29C.2(1).

4 34 Code section 24.6(2) is amended to allow a school
4 35 corporation to transfer funds from its emergency fund when the
5 1 school corporation has monetary deficiencies due to payment of
5 2 costs necessitated by, and incurred within two years of, a
5 3 disaster. However, the transfer must first be approved by the
5 4 school budget review committee.

5 5 Code section 256.9(61) is enacted to allow the director of
5 6 the department of education to waive statutory obligations
5 7 that school districts and accredited nonpublic schools cannot
5 8 reasonably comply with due to a disaster if the district's or
5 9 school's county has been declared a state or federal disaster
5 10 area. The school district or accredited nonpublic school must
5 11 provide a public hearing during which school officials must
5 12 inform the public about the statutory obligations sought to be
5 13 waived and must give the public a chance to give input.

5 14 Code sections 257.31(7) and 257.32(1) are amended to allow
5 15 the school budget review committee to authorize a school
5 16 district or area education agency to spend amounts from
5 17 specified sources for the costs of demolishing or repairing a
5 18 building or structure if such costs are necessitated by, and
5 19 incurred within two years of, a disaster.

5 20 Code sections 273.2(2) and 273.3(7) are amended to give
5 21 area education agencies the authorization to purchase and
5 22 lease-purchase facilities and buildings with the approval of
5 23 the director of the department of education.

5 24 Code section 298.3(13) is amended to permit funds from the
5 25 physical plant and equipment levy to be used for demolition,
5 26 clean up, and other costs necessitated by, and incurred within
5 27 18 months of, a disaster.

5 28 Code section 423F.3(3)(b) is amended to allow school
5 29 districts affected by a disaster to submit a revenue purpose
5 30 statement to the voters no more than 18 months after the
5 31 disaster in order to use funds from the secure an advanced
5 32 vision for education fund to recover from the disaster.
5 33 School districts submitting such a statement are still bound
5 34 by all the requirements of Code chapter 423F concerning the
5 35 secure an advanced vision for education fund.

6 1 The bill allows a school district that was significantly
6 2 affected by a disaster in 2008 to use predisaster student
6 3 enrollment counts in order to offset a budget enrollment
6 4 decrease for the 2009=2010 budget year. School district
6 5 budgets for fiscal year 2008=2009 were based on October 2007
6 6 enrollments. Any district that was impacted by a disaster and
6 7 had an enrollment in October 2008 that was less than the
6 8 previous year's enrollment would be allowed to use the
6 9 previous year's enrollment for budgeting purposes in fiscal
6 10 year 2009=2010. The department of education shall determine
6 11 which school districts were significantly affected by
6 12 disasters during 2008, as defined in Code section 29C.2. This
6 13 section of the bill is effective upon enactment.

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